

Message Text

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ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 TRSE-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 USIA-06 PRS-01 SP-02 FEAE-00 OMB-01 SSO-00

INRE-00 NSCE-00 /092 R

DRAFTED BY EB/OT/STA:EGCONSTABLE:CLJ

APPROVED BY EB/OT/STA:BBISHOP,JR.

TREASURY:POSUCHMAN

EUR/CE:BFLATIN

EUR/RPE:JMCCARTHY

----- 125996

O R 301438Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY BERN IMMEDIATE

INFO AMCONSUL ZURICH

AMEMBASSY VIENNA

USMISSION EC BRUSSELS

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E.O. 11652:N/A'

TAGS: ETRD, SZ

SUBJECT: COUNTERVAILING DUTIES -- CHEESE FROM SWITZERLAND

REF: BERN 2629

1. FOLLOWING IS PRESS RELEASE TO BE ISSUED BY TREASURY THIS
WEEK ON COUNTERVAILING DUTY INVESTIGATION ON SWISS CHEESE:
BEGIN TEXT:

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2. ASSISTANT SECRETARY OF THE TREASURY DAVID R.

MACDONALD ANNOUNCED TODAY THE ISSUANCE OF A PRELIMINARY DETERMINATION THAT BOUNTIES OR GRANTS ARE BEING PAID ON IMPORTS OF EMMENTHALER AND GRUYERE CHEESE FROM SWITZERLAND WITHIN THE MEANING OF THE UNITED STATES COUNTERVAILING DUTY LAW (19 USC 1303). A NOTICE TO THIS EFFECT WILL BE PUBLISHED IN THE FEDERAL REGISTER OF JULY 3.

3. INTERESTED PARTIES WILL BE GIVEN AN OPPORTUNITY TO SUBMIT WRITTEN VIEWS BEFORE THE COMMISSIONER OF CUSTOMS IN TIME TO BE RECEIVED NO LATER THAN 30 DAYS FROM THE DATE OF PUBLICATION OF THIS NOTICE. AS REQUIRED UNDER THE COUNTERVAILING DUTY LAW, A FINAL DETERMINATION WILL BE ISSUED IN THE FEDERAL REGISTER BY NO LATER THAN JANUARY 4, 1976.

4. THE TREASURY'S PRELIMINARY DETERMINATION CONCLUDED THAT THE SWISS SYSTEM OF DEFICIENCY PAYMENTS MADE TO PRODUCERS OF EMMENTHALER AND GRUYERE CHEESE CONSTITUTES THE PAYMENT OR BESTOWAL OF A BOUNTY OR GRANT ON THOSE CHEESES EXPORTED TO THE UNITED STATES.

5. UNDER THE AMENDED COUNTERVAILING DUTY LAW, THE SECRETARY IS GIVEN LIMITED AUTHORITY IN APPROPRIATE INSTANCES TO WAIVE THE ASSESSMENT OF COUNTERVAILING DUTIES FOR A PERIOD UP TO JANUARY 3, 1979, IF THE FOLLOWING CONDITIONS ARE MET:

(A) ADEQUATE STEPS HAVE BEEN TAKEN TO REDUCE SUBSTANTIALLY OR ELIMINATE DURING SUCH PERIOD THE ADVERSE EFFECT OF A BOUNTY OR GRANT WHICH HE HAS DETERMINED IS BEING PAID OR BESTOWED WITH RESPECT TO ANY ARTICLE OR MERCHANDISE;

(B) THERE IS REASONABLE PROSPECT THAT, UNDER SECTION 102 OF THE TRADE ACT OF 1974, SUCCESSFUL TRADE AGREEMENTS WILL BE ENTERED INTO WITH FOREIGN COUNTRIES OR INSTRUMENTALITIES PROVIDING FOR THE REDUCTION OR ELIMINATION OF BARRIERS TO OR OTHER DISTORTIONS OF INTERNATIONAL TRADE; AND

(C) THE IMPOSITION OF THE ADDITIONAL DUTY UNDER THIS SECTION WITH RESPECT TO SUCH ARTICLE OR MERCHANDISE LIMITED OFFICIAL USE

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WOULD BE LIKELY TO SERIOUSLY JEOPARDIZE THE SATISFACTORY COMPLETION OF SUCH NEGOTIATIONS.

6. ASSISTANT SECRETARY MACDONALD INDICATED THAT HE BELIEVED THAT THE CRITERIA FOR A WAIVER HAVE BEEN MET IN THIS CASE GIVEN THE FACT THAT SWISS SHARE OF THE U.S. MARKET FOR THESE CHEESES HAS BEEN IN STEADY DECLINE FOR A NUMBER OF YEARS, THAT THE SWISS PRODUCT IS NOT PRICED

COMPETITIVELY WITH DOMESTICALLY PRODUCED CHEESES, AND THAT THE SWISS SUBSIDY PROGRAM EVIDENTLY DOES NOT ACT AS AN INCENTIVE TO EXPORT. ASSISTANT SECRETARY MACDONALD FURTHER STATED THAT THE WAIVER WOULD BE GRANTED IN THE LIGHT OF RECENT DISCUSSIONS WITH REPRESENTATIVES OF THE SWISS GOVERNMENT, AND WITH THE UNDERSTANDING THAT SWISS POLICIES WITH RESPECT TO EXPORTS OF EMMENTHALER AND GRUYERE CHEESE TO THE U.S. WILL REMAIN BASICALLY AS THEY HAVE BEEN IN THE PAST.--END TEXT.

7. PRESS RELEASE WILL BE ISSUED ON JULY 2. ABOVE FOR EMBASSY USE ON OR AFTER RELEASE DATE. TEXT OF JACOBI/MACDONALD LETTER WILL BE SENT SEPTTEL. INGERSOLL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CHEESE, COUNTERVAILING DUTIES
Control Number: n/a
Copy: SINGLE
Draft Date: 30 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE153605
Document Source: CORE
Document Unique ID: 00
Drafter: EGCONSTABLE:CLJ
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750226-0383
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975063/aaaaacdh.tel
Line Count: 128
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 BERN 2629
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 10 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 APR 2003 by ShawDG>; APPROVED <22 SEP 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COUNTERVAILING DUTIES -- CHEESE FROM SWITZERLAND
TAGS: ETRD, SZ
To: BERN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006